DOCUMENT RESUME

ED 211 772 CE 031 056

AUTHOR Wolman, Jean
TITLE Getting Down to Business: Nursing Service, Module 14. [Student Guide]. Entrepreneurship Training Components.
INSTITUTION American Institutes for Research in the Behavioral Sciences, Palo Alto, Calif.
SPONS AGENCY Office of Vocational and Adult Education (ED), Washington, D.C.
PUB DATE Apr 81
CONTRACT 300-79-0535
NOTE 90p.; For related documents see CE 031 026-101 and CE 031 334.
AVAILABLE FROM Wisconsin Vocational Studies Center, 964 Educational Sciences Bldg., Madison, WI 53706 (Order No. ETC100R1, $6.00. 25% discount on 100 or more of same title. Complete set-- ETC100--$200.00).

EDRS PRICE MF01/PC04 Plus Postage.
DESCRIPTORS Administrator Role; Advertising; *Business Administration; *Business Education; *Business Skills; Financial Support; Learning Activities; Learning Modules; Money Management; *Nursing; Recordkeeping; Salesmanship; Secondary Education
IDENTIFIERS *Entrepreneurship; *Small Businesses

ABSTRACT

This module on owning and operating a nursing service is one of 36 in a series on entrepreneurship. The introduction tells the student what topics will be covered and suggests other modules to read in related occupations. Each unit includes student goals, a case study, and a discussion of the unit subject matter. Learning activities are divided into individual activities, discussion questions, and a group activity. Units (and subject matter) in this module are planning your business (services, customers, and competition; personal qualities and skills; how to compete; legal requirements); choosing a location (central and convenient location); getting money to start (business description; statement of financial need); being in charge (tasks; selecting nursing staff; keeping staff and customers happy); organizing the work (work orders; work schedules); setting prices (customer demand; competition; operating expenses; profit); advertising and selling (selling to customers; attracting nursing staff); keeping financial records (customer billing form; daily cash sheet); and keeping your business successful (keeping track of profits; changing your business to increase sales). A summary and quiz complete the document. (A teacher's guide is available for this module.) (CT)

****
* Reproductions supplied by EDRS are the best that can be made *
* from the original document. *
****

ED211772

etc Entrepreneurship Training Components

GETTING DOWN TO BUSINESS:

Nursing Service

Module 14

CE031056

U.S. DEPARTMENT OF EDUCATION
NATIONAL INSTITUTE OF EDUCATION
EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)

This document has been reproduced as received from the person or organization originating it.

Minor changes have been made to improve reproduction quality.

Points of view or opinions stated in this document do not necessarily represent official NIE position or policy.

"PERMISSION TO REPRODUCE THIS MATERIAL HAS BEEN GRANTED BY

C. Kaplan

TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)."

American Institutes for Research

The information reported herein was obtained pursuant to Contract No. 300-79-0535, Office of Vocational and Adult Education, U.S. Education Department. Contractors undertaking such projects under government sponsorship are encouraged to document information according to their observation and professional judgment. Consequently, information, points of view, or opinions stated do not necessarily represent official Education Department position or policy.

GETTING DOWN TO BUSINESS:

Nursing Service

Jean Wolman

April 1981

Developed at the American Institutes for Research
under support from the
Office of Vocational and Adult Education
U.S. Education Depar ent

The Entrepreneurship Training Components are based on information from many sources. Special acknowledgement is due the Small Business Management and Ownership materials designed and tested by CRC Education and Human Development, Inc. for the U.S. Office of Education's Bureau of Occupational and Adult Education. Special thanks are owed the entrepreneurs who shared their experiences during the preparation of this module.

TABLE OF CONTENTS

Introduction 1

Unit 1
Planning a Nursing Service 3
Learning Activities 10

Unit 2
Choosing a Location 13
Learning Activities 19

Unit 3
Getting Money to Start 21
Learning Activities 28

Unit 4
Being in Charge 31
Learning Activities 38

Unit 5
Organizing the Work 41
Learning Activities 48

Unit 6
Setting Prices 51
Learning Activities 57

Unit 7
Advertising and Selling 61
Learning Activities 67

Unit 8
Keeping Financial Records 71
Learning Activities 77

Unit 9
Keeping Your Business Successful 81
Learning Activities 88

Summary 91

Quiz 93

INTRODUCTION

How are you going to use your job skills after you finish school?

Have you ever thought about starting your own nursing service?

This module tells about people who have started and managed nursing services. It gives you an idea of what they do and some of the special skills they need.

You will read about

- planning a nursing service
- choosing a location
- getting money to start
- being in charge
- organizing the work
- setting prices
- advertising and selling
- keeping financial records
- keeping your nursing service successful

You will also have a chance to practice some of the things that nursing service owners do.

Then you will have a better idea of whether a career as a nursing service owner is for you.

Before you study this module, you may want to read Module 1, Getting Down To Business: What's It All About?

When you finish this module, you might want to read

Module 15, Getting Down to Business: Wheelchair Transport Service;

Module 16, Getting Down to Business: Health Spa.

These modules are related to other businesses in the health area.

UNIT 1

Planning a Nursing Service

Goal: To help you plan your nursing service.

Objective 1: Describe the services, customers, and competition of a nursing service.

Objective 2: List five personal qualities a nursing service owner should have.

Objective 3: List three ways to help your nursing service compete successfully.

Objective 4: List one or more special legal requirements for running a nursing service.

RAMONA DIAZ PLANS A NURSING SERVICE

Ramona Diaz, a 27-year-old registered nurse (RN), had become restless with her work. She was beginning to consider a change.

After receiving her RN from Stockdale Community College, she worked for three years in the local hospital, mostly on the cardiac intensive care unit. By the end of that time, Ramona was on night shift. She had become quite dissatisfied. She reported:

"I'm really getting to feel burned out. The demands of the ICU are too great, and the night hours don't agree at all with my marriage. I know I can find another spot, but right now I need a break from nursing. Yet, I don't want to leave it entirely."

So Ramona went to work for Temporary Nursing Services. There she interviewed other nurses and placed them in temporary jobs in hospitals and nursing homes. She really liked the work--she was dealing with other people all day and felt she was helping sick people, at least indirectly. And she was removed from the direct stresses of nursing itself.

Business was booming at Temporary Nursing Services. The demand for temporary nursing staff kept growing. Ramona continued to enjoy her work, but was becoming ready for a change. After two years, she had learned the "business." She figured out that she didn't want to return to direct nursing care, and that she now wanted to be her own boss. She began to think about opening her very own nursing service.

Planning a Nursing Service

Ramona Diaz wanted to start her own nursing service. As you work through this module, you will see how Ramona's nursing service develops. In this section, you will learn about four things involved in planning a nursing service:

- deciding what services, customers, competition, and problems your nursing service might have;
- deciding what personal qualities and skills you will need;
- knowing how to compete well; and
- learning about the legal requirements for running the business.

Services, Customers, and Competition

A nursing service, sometimes also called a nursing registry, maintains a list of qualified nursing people. It also helps to fill requests for these people from hospitals, nursing homes, and private individuals.

Services and customers. Nursing services can provide many types of services to different types of customers. They can fill both temporary and long-term requests, though they tend to focus on temporary needs. They can choose to serve hospitals, nursing homes, private individuals, or even doctor's offices, clinics, and private industry. They usually sign up registered nurses (RNs) and licensed vocational nurses (LVNs or LPNs). They also sign up nurse's aides (NAs) and orderlies, including home health aides and companions.

Need for services. U.S. Department of Labor Statistics show an increasing need for nursing staff at least through the next 10 years. Hospitals and nursing homes in many parts of the country often do not have enough nursing staff. There is always a need for home health care.

This need will probably increase because of the growing desire to reduce medical costs through shorter hospital stays.

Competition. Competition in the nursing service business can be great in some locations. You may be competing against small, one- or two-person businesses. Other competitors may be larger businesses with several local offices. Still others may be parts of giant corporations. These operate as local franchises, and their numbers have been increasing greatly. In addition, many hospitals have to rely on their own group of temporary nursing staff.

In addition to the competition, there are two other problems a new nursing service might face:

- in some areas, there is a growing desire by hospitals and nursing homes to stop or reduce their use of nursing services or to sign contracts with them in order to set lower prices; and
- the entire medical industry is in a state of change today. Increased government regulation is likely, and consumers are revolting against skyrocketing costs.

So you must know about the competition and possible problems in starting a nursing service and in deciding exactly what services to offer and where. We will talk about this more later.

Personal Qualities and Skills

According to several owners of small nursing services, your personal qualities are even more important than your education, experience, or management skills. Ramona learned that "it's a total people business." She learned that you must:

- truly like people and working with them and their problems;
- be fair and avoid judging other people;
- have patience to deal with your customers and staff, and with the problems of waiting for a small business to grow;
- be willing to work very hard; and

- be able to leave work problems at the office when you go home at night.

Although there is no set list of requirements for running a nursing service, some background skills are desirable. Training as an RN is helpful, especially if you deal with home care. Previous nursing experience would be helpful in understanding your own staff's needs and problems. Working for a nursing service, as Ramona did, would also be useful. Related experience in working with people, interviewing, or general relations with the public would also be a plus.

How to Compete Well

There are several things you can do to become successful. We will mention them now, and you will learn more about them as you work through the module.

- Get a lot of information before starting the business to help you decide where you want to locate and which services you want to offer.
- Try to be one of a kind. Offer special services that other businesses do not offer.
- Establish an image that is professional, yet friendly. When you are small, you can offer more personalized service than the larger services can.

Legal Requirements

Legal requirements vary according to the types of service you offer and where you are located. For example, in California, a nursing service that deals only with temporary placements in hospitals and nursing homes must only obtain a local business license. On the other hand, a nursing registry that sends nursing staff into private homes must also be bonded. In addition, it must be licensed and regulated by Consumer Affairs. You will have to find out exactly what your business is required to do under

the law. To find out what licenses you will need, contact the Department of Consumer Affairs, the Small Business Administration, or a trade association of nursing services or registries.

If you pay salaries directly, you must satisfy all Internal Revenue Service requirements for payroll deductions. You must also have necessary insurance such as worker's compensation and liability coverage.

In addition, your nursing staff will probably have to meet certain health requirements such as an annual physical and TB check. They will also need to meet current requirements for their individual licenses (RN or LVN). Nonlicensed people (nurse's aides) might need to meet some requirements--for example, certification as a home health aide. The Department of Health, Office of Consumer Affairs, and your customers can all help you learn what is needed.

Summary

Nursing services provide qualified nursing staff to various hospitals, nursing homes, and private homes, usually on a temporary basis. Services vary greatly in size and can fill a variety of needs. Previous nursing and business experience and a genuine liking of people are helpful qualities for a nursing service owner to have. There is a growing need for nursing people throughout the country, but the future nursing service owner will face certain problems. The successful owner will offer a unique service in a personalized way.

Learning Activities

Individual Activities

1. List at least three types of nursing staff that a nursing service might employ and three types of customers a nursing service might have.

2. Do you have the right personality to run a nursing service? Check each statement below that applies to you.

   _____ I really like people.
   _____ I'm friendly and outgoing.
   _____ I like to listen to other people's problems and can put myself in another person's shoes.
   _____ Patience is one of my strong points. I am patient with other people and myself; I can overcome discouragement.
   _____ I can forget my troubles when I leave school or work.
   _____ I know how to relax.

3. What additional education and experience would you need to start your own nursing service?

4. You decide to open a nursing service. Think up a good name for your business that would both describe your business and catch the attention of your market.

5. Call the nearest office of Consumer Affairs. Find out what legal requirements you would have to meet to start your own nursing service.

Discussion Questions

1. What are some ideas for making your nursing service unique? What special services might you offer?

2. Do you think Ramona Diaz will be successful in running her own nursing service? Why?

3. How do you think changes in the medical industry might affect the future of the nursing service industry?

Group Activity

Locate an owner or manager of a nursing service (or registry) near you--preferably a small business rather than part of a large chain. Invite that person to visit your class to share her or his experiences running the nursing service. Use a personal contact in a hospital or nursing home, if possible. Otherwise, use the Yellow Pages.

Develop a list of questions you would like to ask the visitor, such as the following:

1. What is your background?
2. Why did you choose to open a nursing service?
3. How much time did you spend planning your business before you opened? What did you do?
4. What kinds of experience or personal qualities have been most valuable to you?
5. How did you decide on your location?
6. What services do you provide?
7. How much money did it take to get started? Where did you get it?
8. Would you do it again?

UNIT 2

Choosing a Location

Goal: To help you choose a location for your nursing service.

Objective 1: List two things to think about in deciding where to locate your nursing service.

Objective 2: Pick the best location for a nursing service from three choices.

RAMONA CHOOSES A LOCATION

The next step for Ramona: "Before I go any further, I need to find out just what my chances are for success. Is Temporary Nursing Service's success just a fluke?"

Ramona found out that there were only two other small nursing services in the Stockdale area. She visited the two businesses as a prospective nurse. She was assured she would be employed as much as she wanted. She decided right then and there: "The time seems right, I'm going to try it on my own."

Ramona made a list of the hospitals and nursing homes in the area and located them on a map. She telephoned each of them. She asked about their temporary staffing needs and their interest in possibly using a new nursing service.

Ramona was encouraged by the results. She decided to offer services to both hospitals and nursing homes. She also decided to locate her office centrally on the map, so that it would be convenient to her nursing staff. She chose a one-room partitioned office on the second floor of a small office building, on the frontage road of the main Stockdale freeway exit, for $200/month rent.

Choosing a Location

Once you have decided that the nursing service business is for you, certain decisions must be made. Most importantly, you must decide exactly where you will locate and what services your business will offer.

Things to Think About in Deciding Where to Locate

You should carefully think about two main things in deciding where to locate:

- the need for nursing staff in possible locations; and
- the nursing services already in existence (your competition) in those locations.

Here are some ways to do this.

- Contact local hospitals and nursing homes to determine their need for temporary staffing. Ask where they currently get staff and whether their needs are being met. If not, what would they like from a nursing service? Try to identify potential customers at this time.
- Analyze the listings of "Nurses and Nurse Registries" in the Yellow Pages. See how many exist, where they are located, and what services they offer. Contact several, as a prospective nurse, to find out how often you can expect to work. Learn about their fees, fringe benefits, and ways of operating, too.
- Contact other people for information about the number and "track record" of similar businesses in your location. Try the Small Business Administration, the state or county Nurse's Association, or an association of nursing services or registries.

Choosing a Location

Seek out an area where not enough nursing services exist. For example, you might look at an area with (1) many nursing facilities and (2) a shortage of nursing staff. Look for a large number of staff vacancies. This usually occurs in urban or suburban areas. Or, if home health care is your interest, seek an area with few or no home health care services. Then define an area large enough to support your new business. Since there are great geographical differences in today's nursing market, you may well need to move to a different location.

In choosing a location, be alert for the trouble signs discussed earlier.

Avoid:

- areas with a large number of existing competitors;
- areas where nursing facilities already have contracts with existing nursing services (it is hard to break into these markets); and
- areas where hospitals or nursing homes want to reduce or eliminate their use of nursing services.

Central and Convenient Location

Once you have determined a general area, locate your office centrally and conveniently. Nursing staff should have easy access to your office. They will have to come in occasionally. You need not choose a fancy or highly visible first floor office in a high-rent district. Convenience to staff is most important.

Simple office. A small, neat office with private conference space (for a personal interview or discussion) is enough to start. You will want to present a professional, business-like image. Cheerful colors, comfortable seating, and a bulletin board posting company policies and professional announcements can help create this image. Finally, try to

rent on a month-to-month basis. Or get the shortest term lease possible until you know how fast you are growing.

If you intend to be entirely self-employed, selling your own nursing services, you can work from your home or from a very simple, inexpensive office.

Summary

Once you have decided to open a nursing service, you must do several things. You must analyze the need for services and the existing competition and choose a suitable general location for your business. Your office should have a central and convenient location so staff can visit easily.

Learning Activities

Individual Activities

Assume that you want to open a nursing service in the area where you now live. It is time to do some research.

1. Make a list of the nursing services that already exist in your area and list the services each offers. Use the Yellow Pages. Your list should have two columns:

Name of Nursing Service	Services Offered

2. Make a list of the hospitals and nursing homes in your area that might need to use the nursing service.

3. Call one of these hospitals or nursing homes.

   a. Find out whether and how much they use nursing services.

   b. Find out anything else that might be useful for you to know in starting your own business. Write down what you find.

Discussion Questions

1. Based on what you learned in the individual activities, do you think it would be wise to start a nursing service in your area? Why? What kinds of services would you offer?

2. Paul and Karin Donley decided to start a nursing service. Karin was an RN. Paul had some business experience running a small office

supplies sales franchise. They thought their combined experience would be ideal for their new business. Since Paul already had an office in downtown Hull, they decided to locate there. The first six months of business was extemely slow. Their main customer, Hillview Hospital, was 20 miles away. Nurses near Hillview preferred to use a nursing service closer to them. What should the Donleys have done differently in locating their business?

3. Georgina Carveo, a registered nurse in Chicago, opened a small home health care registry in Woodlawn, an urban ghetto area. Georgina saw a great need for home health aides to assist the sick and elderly in the area. She did not realize, though, that neither insurance nor Medicare would cover the cost of her nurse's assistants. Her business failed. Why? What type of community would be a better place to start a home health care registry?

Group Activity

Assume that you will open a nursing service in your area and do the following:

1. Use the information you found in the individual activities to decide what area your service will cover. You can do this in the following way. Take a local map. Locate the hospital and nursing homes in your area on the map. Draw a boundary around the area that includes these places.
2. Discuss possible locations for your business. Use your knowledge of the area's roads, traffic patterns, other businesses, and office buildings. Discuss the advantages and disadvantages of each.
3. Decide on the best location.
4. Discuss what kind of an office to look for.

UNIT 3

Getting Money to Start

Goal: To help you plan how to borrow money to start your nursing service.

Objective 1: Write a business description for your nursing service.

Objective 2: Fill out a form showing how much money you need to borrow to start your nursing service.

RAMONA GETS MONEY TO START HER BUSINESS

Ramona had been able to save $4,000 for her business. "Now it's time to figure out how much money I'm going to need for my business and how I'm going to get it."

Ramona made a list of her expenses:

Rent (first and last month)	$ 400
Utilities and phone deposits	200
Business licenses, insurance, and accounting advice	300
Advertising	300
Furniture and equipment	2,000
Promotion (stationery, cards, and brochures)	250
Supplies	150
	$3,600

In addition, she figured she would need about three months' salary for herself ($2,400) and a line of credit of about $25,000 to cover nurses' salaries before money started coming in and if payments were delayed.

She knew how much money she needed. But how much of this did she already have? She had the $4,000 she and her husband had saved. Her father, a lawyer, was willing to loan her $5,000. He also would give her free legal advice. It was time to find more money. Ramona decided to apply for a business loan from a local bank. Her first step was to prepare a description of her business. Here is her first draft.

"I plan to open a nursing service, called Nurscare. I will help local hospitals and nursing homes fill temporary staff needs for RNs, LVNs, and nurse's assistants. Only three other services of this kind exist in the area to serve the three nearby hospitals and five nursing homes.

"I will rent a small office, 15 x 15, at 515 Frontage Road, W., at a cost of $200 per month on a one-year lease. I will start the business by myself. But I will plan to hire a half-time RN to help interview and promote the service in about six months if the business permits."

Getting Money to Start

All new businesses require money to get started. In this section you will learn something about how to get money to start a nursing service.

Wouldn't you be lucky if a friend or relative gave you money or a loan with no strings attached? Let's assume it will not be so easy. Assume you will have to go to a bank or a government agency to borrow money. You must provide a lot of information to that lender to prove you are a good business risk. You must provide:

- personal background information (a résumé);
- a description of your business; and
- a statement of financial need.

Personal information is often written in the form of a résumé. A résumé shows your education and experience and gives names of references. This module won't give any more information about resumes. Instead, it will deal with the description of your business and the statement of financial need.

Business Description

The lender will want to know exactly what kind of nursing service you want to start and how you will run it. He or she wants to know how carefully you have planned for your business.

Your business description should be written clearly and simply. It should tell the lender these things:

- the kind (and name) of your nursing service;
- the services to be provided;
- the location of the business and why you selected it;

- the market you intend to serve (your future customers);
- your competition and why you think you can compete with them;
- your management plan and strategy for success; and
- your expected growth and hiring plans.

Statement of Financial Need

Detailed information about starting expenses and available money must be given to the lender.

Starting expenses. The exact amount of money required to open a nursing service depends on these things:

- the type of services you offer;
- the demand for these services; and
- the expected rate of growth.

Ramona's case shows about how much money would be needed to start a very small one-person business that expects to grow gradually. Her actual start-up expenses are relatively small. The largest purchase is furniture and equipment. The following items would be needed for even the smallest business:

- a good electric typewriter;
- a calculator with tape;
- two desks and chairs;
- one or two side chairs;
- a filing cabinet; and
- a storage cabinet.

These can be leased to reduce start-up costs, but leasing can cost more in the long run. The biggest start-up cost is money needed to pay the nurses while you are waiting to receive payment from your customers. How would you figure how much you need? Here is a simple example.

Assume payment was delayed for a month. You have ten nurses working one shift per day at $50 per shift:

10 nurses x 1 shift x $50	=	$500/day
$500 x 30 days (month)	=	$15,000

That's $15,000 of payroll expenses you must meet before the hospital pays you!

Some nursing services, especially those dealing with home health care, operate differently. They would require less money. Such services bill each nurse a percentage of what the nurse receives. They do not directly employ the nurse. They have no salaries to cover.

The figures given here are simple examples only. Obviously, you must do more careful planning and estimating in figuring your own money needs.

Sample statement. A sample statement of financial need is shown below.

STATEMENT OF FINANCIAL NEED

Starting Expenses		Money on Hand	
Salaries	$		
Building & Property			
Repairs & Renovations		Cash on Hand	$
Equipment & Furniture		Gifts or Personal Loans	
Inventory or Supplies		Investment by Others	
Advertising		TOTAL	$
Other			
		TOTAL STARTING EXPENSES	$
		TOTAL MONEY ON HAND	
		TOTAL LOAN MONEY NEEDED	$

The forms you will actually use to apply for a loan may be slightly different, and the items listed may not include all of your own needs. For example, Ramona had several expenses that would need to be included as follows: utilities and phone deposits under "building expenses"; business licenses, insurance, and accounting under "other"; and printing

under "supplies." Ramona should list these separate items on her statement of need.

Summary

In applying for a loan, you will need to provide a description of your business and a statement of financial need. The amount of money needed to start a nursing service depends on the size and kind of business you plan to start. You are, however, likely to need to borrow some money. This means you will need to provide a statement of financial need.

Learning Activities

Individual Activities

1. Ramona completely forgot to include an important section in her business description. What was it?

2. Review Ramona's case study. List three other things Ramona could add to her business description to improve her chances of getting a loan.

3. a. How much did Ramona need to start her nursing service, not including living expenses and delayed salary expenses?

   b. What were Ramona's total starting expenses?

   c. How much money in all did Ramona have available to start her business?

   d. How much would she need to borrow?

4. Which of Ramona's starting expenses would need to be listed under "Other"?

5. Fill out the following Statement of Financial Need for Ramona. Include any special categories or explanations you think are important.

STATEMENT OF FINANCIAL NEED

Starting Expenses		Money on Hand	
Salaries	$		
Building & Property			
Repairs & Renovations		Cash on Hand	$
Equipment & Furniture		Gifts or Personal Loans	
Inventory or Supplies		Investment by Others	
Advertising		TOTAL	$
Other			
		TOTAL STARTING EXPENSES	$
		TOTAL MONEY ON HAND	
		TOTAL LOAN MONEY NEEDED	$

Discussion Questions

1. How do you think a lender would react to Ramona's business description?

2. What other kinds of information would a lender want to know before giving Ramona a loan in addition to her business description and statement of financial need?

3. Assume that Ramona's business got off to a flying start. In April, her first month, she had 15 nurse's aides working for two shifts. The average cost to Ramona was $40 per shift. How much would the April payroll be? What does this suggest about the size of the loan Ramona applied for?

Group Activity

Sally Lipton has worked as a nurse's aide in a nursing home for two years. Although she enjoys working with sick and elderly people, she finds the nursing home environment somewhat depressing and stressful. She thinks she would like to do home health work as a self-employed person. She has about $2,000 saved "for a rainy day."

As a group, discuss the following.

1. What would Sally's starting expenses probably include? How would her costs compare to Ramona's?
2. Would she have to apply for a loan? If so, how would she do this?
3. What are the advantages and disadvantages doing it Sally's way working by herself without employees rather than Ramona's?

UNIT 4

Being in Charge

Goal: To help you plan how to hire employees and divide the work of your nursing service.

Objective 1: Decide how to divide the work of your nursing service among several employees.

Objective 2: Pick the best person for a specific job in your nursing service.

Objective 3: List three ways to keep your people happy.

RAMONA BECOMES "IN CHARGE"

Ramona decided to see how her business grew before hiring anyone to help.

"I want to have control over every part of this business. I want to find out exactly what has to be done and learn how to do it myself. I know that means I'll have to be here all the time at first and work extra hard. But I can't afford to hire an assistant just yet anyway.

"My main hiring job right now is to interview and sign up nursing people. I also have to develop a good relationship with one or two hospitals or nursing homes."

Ramona developed an application form and a list of interview questions. She wrote a brochure for hospitals and nursing homes and for her nursing staff describing her business policies and procedures. Her experience at Temporary Nursing Services and visiting the other local nursing services helped her greatly.

Within six weeks Ramona had interviewed and accepted three RNs, two LVNs, and five nursing assistants. And she had agreed to help provide temporary staff to two local hospitals and a nursing home.

Being in Charge

Owning and operating a nursing service involves several basic activities. The most important one is hiring and being in charge of nursing staff. In this unit you will learn about:

- the general tasks involved and staff needed in running a nursing service;
- selecting staff; and
- keeping people happy.

Tasks

There are four major tasks involved in running a nursing service:

- interviewing, hiring, managing, and sometimes firing nursing staff;
- filling job requests (or work orders) from customers (this involves a lot of telephone work matching job orders with suitable nursing staff);
- promoting business by advertising your services to both potential customers (hospitals and nursing homes) and nursing staff; and
- keeping financial and other records (bookkeeping, billing, etc.).

In the beginning, one person can do all four tasks if that person is a registered nurse. It is important that a registered nurse be available at least part time. This person can work with hospitals, nursing homes, or doctors (in the case of home care), can help promote business, and can help train and manage the nursing staff.

If you, the owner, are an RN like Ramona, you can start alone. If not, you will need to hire an RN for at least one or two days a week. Even if you are an RN, you will probably be happier if you hire at least a part-time person to help with the work. Single owners of successful

nursing services tend to feel overworked. They recommend getting qualified people to provide a break at least once in a while.

The rest of this unit will cover more details about the first task, being in charge of staff. The other tasks will be discussed later in the module.

Selecting Nursing Staff

Probably the most important job you will have is to screen possible staff carefully and to send only well-qualified and reliable nurses out to customers. Your entire reputation rests on doing this job well. Nurses applying for work should: (1) fill out a detailed application; (2) have a personal interview; and (3) provide personal references. The application should include a copy of the nurse's current license. Depending on the location, qualifications may include a certain amount of recent nursing experience and education such as CPR training. You will have to find out exactly what is required for your staff.

The personal interview is especially important. It can reveal things about a person that do not show up in an application. Your judgment about each nurse's personality is important in selecting qualified people. The nurse's references should also be checked out carefully. If accepted, a nurse should be hired on a trial basis. He or she should be evaluated after a period of, say, 90 days for satisfactory service. Only after that time should continued work and fringe benefits be given.

Keeping People Happy

A nursing service, as any other business, must keep its people happy to stay in business. In fact, it must keep two groups of people happy: its own nursing staff and its customers. It can do this in three simple ways:

- with good personal relations;
- with special services or benefits; and
- with clearly stated policies.

Good personal relations. As mentioned before, this is a "people business." People who register with a temporary nursing service generally want more flexibility than a standard job offers. They want to control when and where they work. So you must place staff where they will be happy working. You won't hassle or overwork your people. You won't try to persuade them to work when or where they clearly prefer not to do so. You will listen to their complaints and problems and help them work toward solutions. You will give them advance notice of the amount of work you expect them to have or of any problems in this area.

To keep your customers happy you will send only reliable and qualified nurses. And you will be honest with them. If you are too busy and can't fill a request, you will tell them and perhaps even refer them elsewhere. You will not make promises you can't keep or delay their filling immediate needs.

Special benefits and services. To attract and keep nursing staff, it will be necessary to offer something extra. Better pay and fringe benefits than those a hospital or nursing home would have are all typically offered. One service offers "instant pay" whereby a nurse can get a paycheck immediately after working. Another offers to pay for required continuing education courses. Another offers a bonus for referring new nurses.

To keep your customers happy, it is important to have personal and regular contact. Let them know you are doing everything you can to fill their requests. Pay a personal visit to check out any problems reported. If you are involved in home care, from time to time visit a patient and let him or her know you care.

Clearly stated policies. Provide enough training and instructions to allow your staff to carry out their assignments. In addition, provide written information on your policies to all staff and customers. This allows everyone to know exactly how you operate. Include such things as staff requirements (health, insurance, courses), how assignments are made and paid, dress code, and fringe benefits (for your staff only). Then,

when everyone knows the "rules and regulations," follow them in a business-like manner.

Summary

There are four general tasks involved in running a nursing service: hiring and managing staff; filling job requests from nursing facilities; promotion; and recordkeeping. This unit covers the first task. Screening nursing applicants involves reviewing their applications, interviewing them, and checking their personal references. Keeping the people you hire and the facilities you serve happy involves three things. You must establish good personal relations, offer special benefits and services, and state operating policies clearly.

Learning Activities

Individual Activities

1. What could Ramona Diaz do to give herself some time off (if only a lunch break) without actually hiring someone?

2. Make a list of the tasks a registered nurse in a nursing service might do.

3. List at least three types of personal qualities that could show up in a personal interview but not on an employment application that might keep you from hiring someone.

4. List at least five "extras" a nursing service might offer its staff to keep them happy. Try to think of some ideas you have not yet read about.

Discussion Questions

1. Assume that Ramona's business got off to a fast start. She soon had more requests from her customers than she could fill. She did not like having to say "no" so often. She was also exhausted from working so hard. In fact, she felt a little "burned out," as she had felt as a nurse. What might Ramona do to improve the situation?

2. Assume that Ramona hired Linda Stuart to be her half-time assistant. Linda had worked as a receptionist/clerk in a bookkeeping office before joining Ramona. Which tasks should Ramona assign to Linda? Which should she keep for herself?

3. a. What problems might a nursing service have if it did not have a professional nurse on its staff?

   b. Is a nursing service that sends nursing staff into private homes more or less likely to need an RN on its staff? Why?

4. You are the director of Tempcare Nursing Service. You have just interviewed Joni Adams, LVN, and think you will accept her. Her application and interview show her to be well qualified. However, one of her references tells you that Joni has had a serious drug problem. You also learn that she has omitted one of her previous jobs on her application. What should you do?

Group Activity

In groups of two, role play one or more of the following situations. Trade places with your partner to see how it feels to be on each side.

1. Greg Metheny, LVN, has applied to Ramona's nursing service. His application shows he has had good training. He has also had four years of experience in intensive care nursing. However, he has been unemployed for the past year because of what he mentions as "varied health problems." Role play Ramona interviewing Greg.

2. Ramona is having an unusually hectic week. Stonehaven Hospital has called to request four nurses round the clock for the next five days. Ramona can fill only one of the spots for sure. She will know later in the day whether she can fill a second. Role play Ramona's first phone call back to Stonehaven.

3. Terry Raymond, owner of Temporary Nursing Services, wants to hire a replacement for Ramona Diaz, who has just left to open her own nursing service. He is looking now for a full-time RN to assist in promotion, interviewing, and nurses' training.

   Role play Terry and a well-qualified applicant. You determine what "well-qualified" means.

UNIT 5

Organizing the Work

Goal: To help you organize the work of your nursing service.

Objective 1: Fill out forms showing staff availability and work orders.

Objective 2: Write a work schedule for yourself or an employee.

41

RAMONA TRIES TO ORGANIZE THE WORK

Ramona was pleased with the progress of her business. Her days were busy and interesting. But Ramona exclaimed:

"No two days are exactly the same. I'm becoming too busy for my own good. In fact, I'm having trouble finding time to do the billing and bookkeeping. I get annoyed sometimes with unannounced visitors. I wrote down everything that happened early yesterday to see how I might improve my chances of getting everything done."

Monday, April 28

9:00	Appointment with accountant
9:20	Unexpected call from May Blythe, RN. She's unhappy with her assignment and is thinking of leaving nursing. Told May to come in at 11.
9:45	Stonehaven Hospital called--wants two LVNs, Tuesday - Friday (4/29-5/2), 3-11 p.m. and 11-7 a.m.
9:45-10:45	Called four LVNs. Linda Fine can work 3-11 and Rory Jones can work 11-7 at Stonehaven.
10:55	Maryview Nursing Home called to request two nurse's assistants for 11-7 shifts for rest of the week.
11:00	May Blythe came. Ended up discussing her problems until 1 pm--no lunch.
1:00-2:00	Had a scheduled interview with new NA
1:15	Call from Stockdale Hospital for a cardiac intensive care RN for 11-7 on W, Th, and Fri.

Organizing the Work

Doing the work of any business, large or small, involves three main steps. These steps are organizing the work, doing it, and, finally, checking the work to make sure it is high quality. This unit covers the first step, organizing the work of a nursing service. Other parts of the module deal with the second and third steps. First you will learn about recording and keeping track of the work to be done, particularly filling the nursing requests (or work orders). Then you will learn about scheduling jobs for yourself and your employees if you have them.

Keeping Track of the Work

You will need to keep track of current available nursing staff and work orders from customers. In addition, employees will need a way to write down their assignments.

Current nursing staff. Keeping a brief summary of each employee and when he or she is available is important. An example of one form Ramona developed is on the next page. It includes information on when each employee is available, license number, work preferences, and status with the nursing service. The Employee Summary Form might be put on 5x7 inch cards. It could be kept in a simple file box on your desk. These forms could also be combined into one simple form like the Employee Information Form for easy reference when filling requests.

EMPLOYEE SUMMARY FORM

Name: _____

RN___ LVN___ NA___ Other_____

Referred by: _____

License Number: _____

Expiration Date: _____

A V A I L A B I L I T Y

Shift	MO	TU	WE	TH	FR	SA	SU
7-3							
3-11							
11-7							

Payroll Explained ☐

Incentives Explained ☐

Policies Explained ☐

Conditions of Employment Signed ☐

A S S I G N M E N T S

Acute: Floors ☐ Exception _____

Units ☐ Preference _____

Other Specialty _____

Health: TB Yes ☐ No ☐ Date_____

Physical Yes ☐ No ☐ Date_____

Back Problems Yes ☐ No ☐ Date_____

Medications: _____

COMMENTS:

EMPLOYEE INFORMATION	SHIFT	MO	TU	WE	TH	FR	SA	SU	QUALIFICATIONS/ PREFERENCE	COMMENTS
Smith, Lois RN Phone number: Lic. number: Exp. Date	7 - 3 3 -11 11- 7						✓		Prefers nursing home assignment	Cheerful
Stone, Becky RN	7 - 3 3 -11 11-7			✓	✓	✓			Experience in cardiac intensive care	Confidant

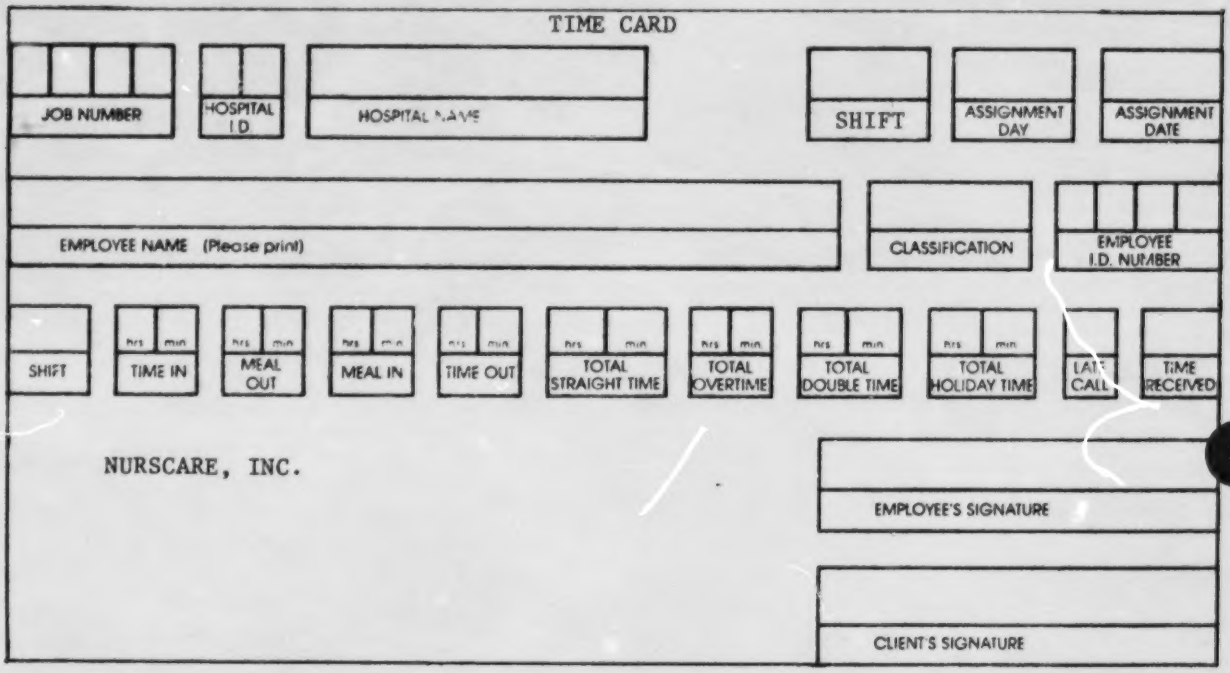
Work orders. Work orders can be written down, in the order they are received, on a simple form such as this:

WORK ORDER FORM

Date of Request	Facility (or Individual)	Date Needed	Shift 7-3	3-11	11-7	Staff Assigned

As requests are filled, they can be crossed off your list. It is very important to let each customer know as soon as possible whether the request can be filled.

Employee record. Employees must write down important information about each assignment. Ramona had them fill in the top two lines of their time card. Below is the time card Ramona used.



The forms Ramona used may not exactly suit your needs. Adopt whatever methods are suitable to make your life easier. For example, if you are self-employed with no other nursing staff to assign, your records could be extremely simple lists. The important thing is to keep records of every work order and assignment so that business will run smoothly.

Scheduling the Work

Earlier you learned what the basic tasks in running a nursing service are. These tasks are interviewing and managing staff, filling work orders, promoting business, and keeping financial records. Of course,

other tasks constantly come up in anyone's business day. You might have to schedule time for a visit with your accountant or lawyer, a trouble-shooting visit to a hospital, or a special staff training activity.

Although all of these tasks are not likely to occur on a single day, several might. You should know exactly what must be done on a particular day and figure out how best to complete it. You must decide which jobs are most important and should be done first. Then you must set up a schedule to accomplish what needs to be done.

Summary

Organizing the work of a nursing service involves keeping track of the work and scheduling the work. You must keep records on the availability of each nurse and incoming work orders so that requests can be filled promptly. You must decide which tasks are most important and set up a schedule to get things done.

Learning Activities

Individual Activities

1. When Ramona signed up Linda Fine, LVN, for her nursing service, she noted the following facts about Linda:

   Available: 7-3 or 3-11 Monday - Friday
   Preference: Cardiac ICU
   LVN license No.: A35401, expires 9/81
   Referred by: Mary Newell

   Linda met all the conditions for employment except a TB check. After Ramona explained all the Nurscare policies, Linda signed the conditions of employment. Fill out the Employee Summary Form below for Linda.

EMPLOYEE SUMMARY FORM

Name:_____

RN____ LVN____ NA____ Other_____

Referred by:_____

A V A I L A B I L I T Y

Shift	MO	TU	WE	TH	FR	SA	SU
7-3							
3-11							
11-7							

A S S I G N M E N T S

Acute: Floors ☐ Exception_____

Units ☐ Preference_____

Other Specialty _____

COMMENTS:

License Number: _____

Expiration Date: _____

Payroll Explained ☐

Incentives Explained ☐

Policies Explained ☐

Conditions of Employment Signed ☐

Health: TB Yes ☐ No ☐ Date_____

Physical Yes ☐ No ☐ Date_____

Back Problems Yes ☐ No ☐ Date_____

Medications: _____

2. Ramona got Becky Stone to fill the Stockdale job request. Linda Fine cancelled her 3-11 shift at Stonehaven. Ramona got Lorry Singer to replace her. She got Max Ingel and Tammy Ruiz to fill the Maryview order. Maryview called to request another NA for the 11-7 shift that night. Ramona finally got Mike Sheldon to do it. Fill out the following Work Order Form for Ramona's work orders on April 28.

WORK ORDER FORM

Date of Request	Facility (or Individual)	Date Needed	Shift 7-3	3-11	11-7	Staff Assigned

3. Ramona told Becky Stone that her assignment at Stockdale was Job Number 1480. The Stockdale I.D. was 04. Becky's employee I.D. number is 0025. Fill in the first two lines of this Time Card for Becky's assignment for Friday, May 2.

TIME CARD

JOB NUMBER | HOSPITAL I.D. | HOSPITAL NAME | SHIFT | ASSIGNMENT DAY | ASSIGNMENT DATE

EMPLOYEE NAME (Please print) | CLASSIFICATION | EMPLOYEE I.D. NUMBER

SHIFT	TIME IN	MEAL OUT	MEAL IN	TIME OUT	TOTAL STRAIGHT TIME	TOTAL OVERTIME	TOTAL DOUBLE TIME	TOTAL HOLIDAY TIME	LATE CALL	TIME RECEIVED
	hrs min	hrs min	hrs min	hrs min	hrs min	hrs min	hrs min	hrs min		

NURSCARE, INC.

EMPLOYEE'S SIGNATURE

CLIENT'S SIGNATURE

4. It is the morning of April 28. Make up a schedule for Ramona's day as she would have expected it to occur. Include time for her to do things such as read the morning mail and write an ad for the weekend paper. Your schedule should have two columns labeled "Time" and "Task."

Discussion Questions

Look at Ramona's activities on April 28 and answer the following questions.

1. Which tasks had Ramona scheduled ahead of time? What other tasks did Ramona absolutely have to complete on Monday? Which task (or tasks) might Ramona have put off until another day or spent less time on?

2. Ramona was forgetful about one of her duties. What did she forget to do? How could she have avoided this?

3. How might Ramona have made time to do her end-of-the-month bookkeeping?

Group Activity

As a group, see how many tasks you can think of that the owner of a nursing service like Ramona's might have to do during a busy day. Consider both routine and unusual or unexpected tasks.

List these tasks on the chalkboard. Then number them in order of importance. Indicate which tasks should be done first, second, and so forth. Remember that Ramona's routine telephone requests can happen at any time.

Then make up a schedule for Ramona's day. If there are too many tasks for her to complete in one day, suggest how and when these should be done.

UNIT 6

Setting Prices

Goal: To help you decide how to set prices for your nursing services.

Objective 1: Pick the best price for one of your services.

RAMONA SETS PRICES

Before Ramona began to actually sign up nurses and customers, she had to decide on prices. She had to decide how much to charge the hospitals and nursing homes that used her services. Ramona knew that her prices had to be in line with the prices of other nursing services in the area. She knew also that her prices had to cover her operating expenses and allow her to make some money for herself.

"First I have to look at my competition. I know that Temporary Nursing Services (T.N.S.), where I worked, is now billing customers $12.50, $10.50, and $8.50. What about the other services?"

When she visited her other two competitors, she learned that they both paid the same wages as T.N.S. Ramona called the local hospitals and nursing homes and learned that one nursing service billed customers the same as T.N.S. The other charged slightly less--$12, $10, and $8.

Ramona knew that all three businesses were growing. She felt there was room for her business to grow too. However, she knew there were only eight hospitals and nursing homes in the area. Ramona decided that she wanted to compete for their business by charging a lower price. So she decided to bill the lower of the two rates ($12, $10, and $8). She would aim to provide the highest quality service as well.

Before Ramona set these prices, she made some estimates to find out if she could make enough money in her first year to stay in business. She estimated she could employ about 10 nurses at least half-time and bring in about $120,000. She also figured that her expenses would be about $108,000. This would leave her $12,000. Ramona decided that $12,000 would be a fair return for this first year. She could live on this and have some extra money to put back in the business. So she decided to start with these prices.

Setting Prices

To be successful, you must set prices for your nursing service that are competitive with similar businesses. Your prices must also be acceptable to your customers and allow enough profit. This is what Ramona tried to do when she set her first prices.

In this unit, you will learn about the four main things to consider in setting prices:

- customer demand;
- competition;
- operating expenses; and
- profit.

Customer Demand

Customers are willing to pay more for services that are hard to get and less for services that are easy to come by. For example, if there is a shortage of nurses in local hospitals, the hospitals will be willing to pay more for your nurses than if there were no shortage.

Competition

Ramona has three competitors. She decided to set her prices at the low end of her competition. Her goal was to aim for high quality service. She felt her customers would not pay higher prices to a new business like hers. In fact, her customers will look for the lowest price but will also consider the quality of her nursing service. How good are the nurses she sends? How fast does she meet requests?

Like Ramona, you will need to know what the competition charges. If you can offer lower prices, your customers will be happy. If you cannot, you must convince customers that your service is better.

Operating Expenses

We learned from Ramona that prices have to cover operating expenses and profit. Operating expenses include two main areas in a nursing service. These areas are the cost of workers and all other costs of operating the business.

Cost of workers. The largest operating expense in a nursing service is the salaries of the nursing staff. This cost will depend on the going labor cost for nursing people in your area in hospitals and nursing homes, and in other nursing services. In the nursing service business, it is typical to pay nurses somewhat more than the hospitals and nursing homes pay to make up for the lack of steady, guaranteed work. It is also typical to charge customers from 30-35% more than the nurses are paid. Of course, you must study these conditions in your own location to decide what your costs will be.

Other operating expenses. There are other operating expenses for your nursing service. These include such things as building expenses, advertising, furniture and equipment, general supplies, and insurance.

Profit

Your prices must also allow you to make some profit. Profit is what's left after everything else has been paid for.

Your profit may be your own salary or some amount over and above that. You must decide how much profit you can make and whether this is acceptable for you. Ramona decided that $12,000 was enough for her in the beginning. Remember that many successful businesses start out with

little or no profit in the first few years. Personal savings and loans are often needed to carry you through this period.

Summary

There are four main things to consider in setting prices. These are customer demand, competition, operating expenses, and profit. A good rule of thumb in setting prices for your nursing service is that the price has to be high enough to give you a profit and low enough that customers will buy.

Learning Activities

Individual Activities

1. Call a hospital and a nursing service in your area. Find out how much hospitals pay their own staff nurses, how much they pay the nursing service, and how much the nursing service pays its nurses. This will give you a better idea of prices in your own area.

2. Ramona finds she must raise her average nurses' wages by 10% next year. She finds that her other operating expenses also increase by 10%. This is inflation. The rate is, in fact, 10%. How much more should Ramona charge her customers?

3. Bellevue Nursing Service charges its customers exactly 35% more than it pays its nurses. If it pays RNs $8.75, LVNs $6.90, and NAs $4.65, how much does it charge its customers?

4. Suppose you are just starting a nursing service. Your competition charges $7.50 per hour for nurses on the average. You figure that you can make a big profit if you also charge $7.50. But you will still make a profit if you charge $7.00. What price should you charge and why?

   ____ a. $6.50/hour
   ____ b. $7.00/hour
   ____ c. $7.50/hour

Discussion Questions

1. If all three of Ramona's competitors had charged the same rates ($12.50, $10.50, and $8.50), what should Ramona have done? Why?

2. Why do you think nursing services typically pay nursing staff more than hospitals or nursing homes pay?

3. Assume that hospitals in your area require you to sign contracts that set the prices you can charge for a year at a time. The contracts you have just signed set next year's prices at the rates you set early this year. Yet your operating expenses and nurses' wages are likely to rise. What effect will this have on your nursing service? What can you do to keep up your profits?

Group Activity

Some nursing services operate and price differently from what we have been discussing. They set pay rates for the nursing staff, but they do not pay the staff directly. Instead, the customer (usually a private individual) pays the nurse directly. And the nurse pays the nursing service a fee (usually anywhere from 4-10% of the pay).

Read this case study and answer the questions that follow.

George Carver is starting a home nursing service. He will use nurse's aides (NAs) only. His competition charges $4.75/hour for NAs, and the NAs pay a 12% fee (or $.50/hour). There is a strong demand for home NAs in the community. But there are not enough NAs available to meet this demand. George would like to attract NAs to work for him instead of his competitor. He would also like to make a small profit his first year.

1. Given the demand for NAs and George's desire to attract them, what prices might George want to set? Set rates for both the hourly charge for NAs and the fee they pay to George. Why did you set these prices?

2. Assume that in his first year George was able to employ 25 NAs for an average of 1000 hours each. His operating expenses are $6000.

   a. Figure out whether the prices set in item 1 are acceptable. Will George make any profit? How much?

   b. If George wants to make a greater profit his second year, but does not want to change his prices, what must he do?

3. What are the advantages and disadvantages of having nurses pay you a fee instead of paying them a salary directly?

UNIT 7

Advertising and Selling

Goal: To help you learn ways to advertise and sell your nursing service.

Objective 1: Choose the best way to advertise your nursing service.

Objective 2: Develop a printed ad for your nursing service.

RAMONA ADVERTISES HER NURSING SERVICE

Ramona was able to get her business started quickly. Remember how, within six weeks, she had signed up three RNs, three LVNs, and five nursing assistants? And she had agreed to provide nurses to two local hospitals and a nursing home. How did she manage to do this?

About three months before even opening, Ramona placed this ad in the Yellow Pages, which was published by the time she opened.

> NURSCARE
>
> Professional Nursing Service
> Offering
> Temporary Staffing
> For: RNs, LVNs, & Aides
> In: Hospitals, & Nursing Homes
>
> AVAILABLE 24 HOURS A DAY
>
> 1101 San Gregory Rd., Suite 401
> Stockdale, CA 94304
> (On Frontage Rd., off Hwy. 801)
> 469-3100

She sent a letter to all of the hospitals and nursing homes in the area. She followed this up with a phone call. The Director of Nurses at Stockdale Hospital said they were very short of staff and would certainly use her services. She was invited to visit Stonehaven Hospital and Maryview Nursing Home. She was able to develop a good relationship with their nursing directors. They also agreed to use Nurscare.

To attract nurses, Ramona placed this small ad in the Sunday want ads of the Stockdale Times.

> NURSCARE
>
> Now Open
> RNs - LVNs - NAs
> WE OFFER TOP PAY, BENEFITS
> Choose your hours and activities
> to suit your professional lifestyle.
>
> CALL NOW
> 469-3100

The day after the ad appeared, she was pleased to get calls from five interested nursing people.

Advertising and Selling

Advertising and selling your nursing service is very important to the success of your business. As the owner of a nursing service, you must sell your services to two groups of people:

- your customers--you must convince the hospitals, nursing homes, and private individuals in your area to use your nursing service; and
- your nursing people--you must attract qualified nursing staff to work for your service.

Selling to Customers

There are several good ways to appeal to hospitals and nursing homes to use your nursing service.

Letters and visits. Sending letters and making visits to directors of nursing is a personalized and effective way to introduce yourself and your services.

The cost of sending these letters is not likely to be large and will probably be more than worth it. A personal visit might be necessary as it was for Ramona. The purpose of the visit is not only to sell your services but also to create a good business image in your medical community. Thus, this is a job for the professional nurse on your staff, be it you or a part-time RN. After you are established, these visits might continue from time to time.

Yellow Pages. Advertising in the Yellow Pages is essential. Your ad will reach the entire community and will last a long time. It will be seen by both customers and nursing people who might want to work for you.

An ideal ad has several qualities.

- It is simple.
- It is informative.
- It is truthful.
- It stresses important or special features.
- It is imaginative and attractive.

Look at your competitors' ads. Find out the cost for different-sized ads. Ramona decided on a medium-sized ad, which let her describe her services. Other businesses list only their names, addresses, and phone numbers. If you can afford it, your ad should include a headline, information about the business, your name, address, and phone number, and possibly a picture as well.

In any case, decide what is best for you and do it well ahead of time. This will ensure that the ad appears by the time you open.

Referrals. As your reputation grows as a reliable, quality nursing service, your business will probably grow, too. Your customers may use your services more (they may be using other nursing services besides yours). And they may refer other customers to you.

Attracting Nursing Staff

There are several ways to attract nursing people to your nursing service.

Yellow Pages. Your ad may be used more by nurses seeking work than by your customers. So make sure your ad appeals to nursing people, too. If your funds allow, include specific information about what types of nursing staff you use and the customers you serve. Also include information about any special features that would appeal to them such as fringe benefits and flexible hours.

Newspaper ads. Plan to advertise in the newspaper, at least until your business is well-established. Newspaper ads have several advantages.

- They reach a large number of people.
- They are relatively cheap for the number of people reached.
- They can reach a specific group of people, in your case nursing people, by being placed in the proper section of the classifieds.

Follow the same rules for placing a newspaper ad as you did for the Yellow Pages. Check your competitors' ads. Find out the costs. Select the most widely read paper in your service area. Judge how much you want to spend and what you'd like your ad to say. Always try to do a better job than your competitors and to improve the job you have already been doing.

Other ads. Consider the possibility of advertising in other places. Is there a local nursing newsletter? Is there a nursing school or community college nearby where you might post an announcement? Can you get any free publicity? If you have wisely located in an area where nursing services are still new, someone might be interested in telling about your business as part of new trends in the nursing industry.

Referrals. As you sign up nursing people, referrals become an important way to promote business. If you keep your nurses happy, they will tell their friends, and so on down the line. As referrals grow, you may be able to cut down your advertising quite a bit. In fact, you may even think of ways to encourage referrals. Ramona did this by offering her staff a $25 bonus if they successfully referred another nurse to Nurscare.

Summary

As the owner of a nursing service, you must sell your services to both customers and nursing staff. There are many ways to sell and advertise. These include letters and visits, the Yellow Pages, newspapers, and referrals.

Learning Activities

Individual Activities

1. Pretend you are Ramona. Write a short letter (one or two paragraphs) introducing Nurscare to the Director of Nurses at Stockdale Hospital. Make sure to describe your services, fees, and any special selling points. Mention that you will call soon.

2. List at least five ideas for special features that would appeal to nurses in an ad.

3. Ramona decides to change her ad in the Yellow Pages. She wants the same size ad, but she wants to appeal more to nursing people in the community. Develop a new ad for her business.

4. Look at these newspaper ads and answer the questions that follow.

A

NURSES NO FEE

RN'S, LVN'S

Learn Why Thousands of Nurses Nationwide Have Joined US.

With us, your needs come first. You will work on challenging assignments... & always on your own schedule. Have a varied nursing career + plenty of time for your personal life too. Also:

New HIGHER Rates
Pd. Vacation Plan
Free Blue Cross
Malpractice Ins.
Serving SF, Marin
San Mateo counties

Health Care Services

44 Montgomery 391-0123

B

NURSES

RNS, LVNS

NAS

For you: Profit sharing in a long-established plan; malpractice, liability, and personal injury insurance; never a fee.

We are hiring and placing ICU/CCU, ER, and Med-Surg RNS, LVNS, and NAS for staff relief, convalescent and private duty.

For personal interview, come in or call between 9am-6pm, Monday thru Friday.

362-6665

"ETN"

C

NURSES

GETTING THE RUNAROUND??

Get Straight With

HOSPITAL TEMPS

At Hospital Temps "what you see is what you get". When you call us we think you deserve a straight answer about your exact pay rate & benefits while on the phone.

BENEFITS
PAID VACATIONS
PAID HOLIDAYS
HOLIDAY DIFFERENTIAL
CREDIT UNION
REFERRAL BONUSES
SENIORITY BONUSES
HEALTH & MALPRACTICE INS

Call our all RN staff for an appt.

HOSPITAL TEMPS

44 Montgomery Su 660
956-7660

D

NURSES

RN's/LVN's

GRAND OPENING

Restoration, an established national nursing service is now accepting applications from qualified nursing personnel for work in area hospitals.

RESTORATION

965 MISSION, SF

957-9064

Circle the letter of the ad or ads that apply.

A B C D a. Which ad includes the most information on fringe benefits?

A B C D b. Which service provides private duty nurses in the home?

A B C D c. Which ad gives the most information on types of nursing services provided to hospitals, nursing homes, and private care?

A B C D d. Which ad gives the least information on types of nursing staff needed?

A B C D e. Which ad is the most "personalized"?

A B C D f. Which ad gives the least information?

84

Discussion Questions

1. Why do you think it is important to write letters and make visits to possible customers when you are starting a nursing service? Why not just advertise in the Yellow Pages? Why should an RN make the visits? Do you see any problem Ramona might face doing this herself?

2. John Grady, RN, opened a small nursing service to provide private duty care to patients in the home. To advertise his business, he sent letters to all of the doctors listed in the Yellow Pages--some 200 of them. He got no response. He made several follow-up calls and learned that their clerks open the mail and only give the "important" mail to the doctor.

   Should John try to send letters again? If so, what changes should he make to improve his chances? If not, why? How should John advertise his business?

3. Jani Rose decided to become a self-employed nurse's aide. She has a home health aide certificate and she has a car. She would like to work days as a companion for an elderly person. How should she advertise her services? Can you think of any other way that would help her find work?

Group Activity

Your teacher will show you several Yellow Pages ads for nursing services. Study the ads and answer the following questions.

1. Which ad probably cost the most? The least? Why?
2. Which nursing services provide home care? How can you tell?
3. Which ads appeal more to customers? Which appeal more to nursing staff? Why?
4. Which services are branches of large companies?
5. Which ad is the most appealing? Why?

UNIT 8

Keeping Financial Records

Goal: To help you learn how to keep financial records for your nursing service.

Objective 1: Fill out a customer billing form for nursing services you provide for a customer.

Objective 2: Fill out a daily cash sheet for money you receive and pay out in one day.

RAMONA KEEPS FINANCIAL RECORDS

Ramona developed a weekly bookkeeping system. Every Friday, she added up the week's work orders and billed customers. She added up the week's time sheets and paid her nursing staff. And she paid any current bills owed to suppliers.

Ramona felt quite pleased with the progress of Nurscare. When doing the billing on Friday, June 6, she noted these job orders for the week beginning May 31 for Stonehaven Hospital alone:

5/31-6/4	Becky Stone, RN	11-7
6/2-6/4	Linda Fine, LVN	3-11
6/2-6/4	Doug Jones, LVN	11-7
6/3-6/4	Tommy Ruiz, NA	11-7
6/3-6/4	Fran Teldon, RN	11-7
6/4-6/6	Max Ingel, NA	3-11

Her orders from Stockdale and Maryview were almost as large. On June 6, she also received these payments:

Stonehaven	$1240
Stockdale	1080
Maryview	960

All three accounts were paid in full. She also wrote checks for the following:

Nurses' wages, week of 5/26	$2296
Stockdale Times (ads)	26
Brenner Printing Co. (letterhead)	165
Fromm Casualty Co. (quarterly insurance premium)	94

Fridays seemed so full of bookkeeping chores. Actually, though, Ramona spent only about half a day per week keeping track of her finances.

Keeping Financial Records

As a business owner, you must have a clear way to keep track of your income and expenses. You must keep good financial records. This will help you know how your business is doing and help you make important business decisions. As a business owner, you also must file various government reports, especially income tax information.

Different businesses have different recordkeeping needs and methods. The needs of your nursing service will be fairly simple. You will need a way to bill customers for services provided. You will also need a way to keep track of the money coming in (cash receipts) and going out (cash payments) of your business. You will learn about customer billing forms and daily cash sheets in this unit.

Customer Billing Form

How you handle customer billing will depend on the number and types of customers and nursing staff you have. Their needs and preferences will help you decide how often to bill. Ramona chose to pay her staff weekly since they liked frequent paychecks. Since she still had only three customers, she chose to bill them weekly, too. However, many small businesses bill monthly or bi-monthly. This is the billing form that Ramona used:

NURSCARE CUSTOMER BILLING FORM

Customer: Stockdale Hospital

Date	Dates of Service	Amount Charged	Payment Received	Balance
5/30	5/26 - 5/30	$1080	-	$1080
6/ 6	5/31 - 6/ 6	980	$1080	980

A sample entry is made to show that on May 30 Stockdale Hospital was charged $1080. On June 6 it was charged $980. On June 6 Ramona received $1080.

Ramona always attaches to the billing form an item-by-item listing of all services provided. A sample entry is made to show how the form is used. Joan Henry, LVN, worked at Stockdale Hos- pital on 5/27 and 5/28 from 7am-3pm. She worked 16 hours at $10 per hour, and the hospital was charged $160.

SERVICES PROVIDED						
Name	Job Class.	Date	Shift	Number of Hours	Rate	Amount Charged
Joan Henry	LVN	5/27-28	7-3	16	$10	$160

These forms have been simplified for you. The exact forms for use in your own nursing service will depend on your own needs and will probably be somewhat different from these.

Daily Cash Sheet

A daily cash sheet can be used to keep track of the money coming in and going out of your business each day. An example is shown below.

DAILY CASH SHEET			
Cash Receipts		Cash Payments	
Cash Sales		Salaries	_____
Maryview	$575.00	Building Expenses	_____
		Equipment and Furniture	_____
		Inventory or Supplies	_____
		Advertising	_____
		Other (taxes)	$1050
TOTAL CASH RECEIVED	$575.00	TOTAL CASH PAYMENTS	$1050

A sample entry is made for April 15. A check for $575 from Maryview Nursing Home arrived and a check for taxes due of $1050 is written.

At the end of each month, these daily forms would be summarized. They would be summarized again at year's end, to provide a complete statement of profit and loss. This will be discussed further in the last section of the module.

The form you actually use in your business may be different. In fact, you may wish to record daily records in a simple record book and prepare summary sheets like this one on a monthly basis. These monthly records would then be summarized at the end of the year to provide the statement of profit and loss.

Summary

Keeping good financial records is a necessary part of running a nursing service. It involves properly billing customers for services provided and regularly keeping track of the business' income and expenses.

Learning Activities

Individual Activities

Use the information in the case study to do activities 1-3. Remember that Ramona's hourly billing rates are $12 for RNs, $10 for LVNs, and $8 for NAs.

1. Fill out this "Services Provided" portion of the customer billing form for Stonehaven Hospital for the week of May 31.

SERVICES PROVIDED						
Name	Job Class.	Date	Shift	Number of Hours	Rate	Amount Charged

2. Fill out the front page of the customer billing form for Stonehaven for the same week.

NURSCARE CUSTOMER BILLING FORM

Customer: _____

Date	Dates of Service	Amount Charged	Payment Received	Balance

3. Fill out Ramona's daily cash sheet for June 6.

DAILY CASH SHEET	
Cash Receipts	Cash Payments
Cash Sales _____	Salaries _____
_____	Building Expenses _____
_____	Equipment and Furniture _____
	Inventory or Supplies _____
	Advertising _____
	Other (taxes) _____
TOTAL CASH RECEIVED _____	TOTAL CASH PAYMENTS _____

4. Ramona billed Maryview Nursing Home as follows:

5/23	$842
5/30	$960
6/6	$1,124
6/12	$976

Ramona received the following from Maryview:

5/30	$842
6/5	$960

Fill out the customer billing form below with the information listed on the previous page.

NURSCARE

CUSTOMER BILLING FORM

Customer: _____

Date	Dates of Service	Amount Charged	Payment Received	Balance

Discussion Questions

1. What other types of financial records would the owner of a nursing service have to keep? Think of other types of money dealings this business would have.

2. How would the financial recordkeeping of a retail business--a shoe store, for example--be different from that of a nursing service?

3. Why is it important that Ramona keep careful financial records?

Group Activity

Study the following Customer Billing Form and answer the questions that follow.

NURSCARE

CUSTOMER BILLING FORM

Customer: Porter Memorial Hospital

Payment Due Date: March 8

Date	Dates of Service	Amount Charged	Payment Received	Balance
Feb. 8	Feb. 2 - Feb. 8	$1530	-	$1530
Feb. 15	Feb. 9 - Feb. 15	$974	-	$2504
Feb. 22	Feb. 16 - Feb. 22	$1116	-	$3620
March 1	Feb. 23 - March 1	$1056	-	$4676

1. Do you see anything on this form that may suggest a problem?

2. If so, what is the problem?

3. How would you handle it?

74

UNIT 9

Keeping Your Business Successful

Goal: To help you learn how to stay successful.

Objective 1: Figure out the net profit (before taxes), profit ratio, and expense ratio for your nursing service.

Objective 2: State one way your nursing service could increase its profits.

Objective 3: State one way your business could change its services to increase sales.

RAMONA KEEPS HER BUSINESS SUCCESSFUL

Time has moved swiftly. Nurscare is two years old now. By and large, it has been a successful two years for Ramona. Business grew quite rapidly the first year. She had 15 nursing staff working much of the time. So her profits far exceeded her early predictions. Growth this past year, however, has not been as good.

In fact, Ramona is facing a possibly serious problem. Work orders from her nursing homes--she now has three--have been falling off greatly. The nursing homes have not been receiving their Medicare payments on time. And the Medicare payments don't begin to cover the nursing costs from Nurscare. So the nursing homes need to cut their expenses a lot. They have almost completely stopped using nursing services.

Ramona reviewed her financial records for the last two years to find out exactly what her profits had been. First she looked at her income and expenses. Her total income the first year had been $193,680. The second year, her income had fallen to $170,612. Her total expenses the first year were $144,101. Her expenses had also dropped the second year, to $135,178.

These figures showed Ramona that there was, in fact, a problem. Nursing home sales had declined greatly, and so had profits. Though she was still making money, the trend downward was disturbing. Ramona decided she must make some changes in order to keep profits growing.

Keeping Your Business Successful

Ramona enjoys her nursing service business and wants very much for it to succeed. Obviously, every small businessperson wants to be successful. How to be successful is not always as obvious. In this unit, you will learn about three important ways to keep your business successful:

- making sure you have enough cash;
- keeping your profits up and costs down; and
- improving or changing your business when necessary.

Keeping Track of Profits

Keeping careful records of your income and expenses from year to year, as Ramona did, is a necessary step in determining profits.

Profit/loss statement. Your income and expenses can be summarized each year on a profit/loss statement such as this.

PROFIT/LOSS STATEMENT	Current Year	
	$	%
Revenues		
Hospital Sales	50,000	
Nursing Home Sales	50,000	
TOTAL	100,000	100%
Expenses		
Salaries	70,000	
Building Expenses	4,000	
Supplies	500	
Advertising	1,000	
Other	2,500	
TOTAL	78,000	Expense Ratio = 78%
Net Profit	22,000	Profit Ratio = 22%

Simple round numbers are included to show you how to compute net profit. As you can see, net profit is the difference between total revenues (income) and total expenses.

Two percentages are shown on the profit/loss statement: the profit ratio and the expense ratio. This is how these ratios are computed.

$$\text{Profit ratio} = \frac{\text{Net Profit}}{\text{Revenues}} = \frac{22,000}{100,000} \times 100 = 22\%$$

$$\text{Expense ratio} = \frac{\text{Expenses}}{\text{Revenues}} = \frac{78,000}{100,000} \times 100 = 78\%$$

These ratios can be useful to you in comparing your profits and expenses from year to year and in comparing your business with other nursing services.

Two-year profit/loss statement. When Ramona compared her income and expenses for the first two years, she probably used a form like this.

TWO-YEAR PROFIT/LOSS STATEMENT

	Year 1		Year 2	
	$	%	$	%
Revenues				
Hospital Sales	_____		_____	
Nursing Home Sales	_____		_____	
TOTAL	_____	100%	_____	100%
Expenses				
Salaries	_____		_____	
Building Expenses	_____		_____	
Supplies	_____		_____	
Advertising	_____		_____	
Other	_____		_____	
TOTAL	_____	____	_____	____
Net Profit	_____	____	_____	____

This form makes it easy to compare figures. It is completed in the same way as a single year profit/loss statement.

Improving profits. If you feel that your profits are too low or not growing enough, you can try one or more ways to increase them. Three basic ways to increase profits in any business are to (1) increase sales, (2) raise prices, or (3) reduce expenses.

Changing Your Business to Increase Sales

If you decide you want to increase sales in order to raise profits, there are two main ways to go about it:

- improve the quality of your service; or
- change your service.

Before you even try to do either of these things, you must find out whether and how your service should be changed. To find out, ask your customers and nursing staff. In addition, look at your community, your competition, and new business trends. Profits and sales may be lagging for any one of a number of reasons. In Ramona's case, it was because of a new "trend" in the nursing home industry--the nursing homes stopped using temporary services because they couldn't afford to. Other possible reasons include dissatisfied nurses or customers, improved conditions for hospital staff nurses, and increased competition. You must find out why your sales are down before you decide how to change.

Depending on the problem, there are many types of changes you might consider for your nursing service. You might need to improve your personal relations with customers or staff. You might need to improve the quality of your staff. You might need to add or drop certain types of services or customers altogether.

Summary

You can figure out profits and compare them year-to-year by recording income and expenses on a profit/loss statement. If you want to increase profits, you must increase sales, raise prices, or reduce expenses. To increase sales, you may need to improve the quality of or make basic changes in your service.

Learning Activities

Individual Activities

1. Figure out the net profit, profit ratio, and expense ratio for Ramona's business for each year.

TWO-YEAR PROFIT/LOSS STATEMENT	Year 1		Year 2	
	$	%	$	%
Revenues				
Hospital Sales	115,440		132,756	
Nursing Home Sales	78,240		37,856	
TOTAL	_____	100%	_____	100%
Expenses				
Salaries	135,576		127,958	
Building Expenses	3,654		4,176	
Supplies	476		458	
Advertising	1,872		1,564	
Other	2,523		1,022	
TOTAL	_____	Expense Ratio = ____	_____	Expense Ratio = ____
		Profit Ratio =		Profit Ratio =
Net Profit	_____	____	_____	____

2. Which year was a better one for Ramona?
3. How much greater were Ramona's first-year profits than her first predictions?
4. What is the sum of the profit and expense ratios? Why?

Discussion Questions

1. Were Ramona's initial goals for her business realistic? Did she meet them? Do you think her business was a success in her eyes and in the eyes of the bank and the community?

2. Why is Ramona concerned about her declining profits? She still has more than enough to live on.

3. List as many reasons as you can think of for sales of a nursing service to decline.

Group Activity

Here are some new facts about Ramona's business. Read them and develop a plan to get her business back on the right track, with profits growing again.

1. Work orders from nursing homes continue to decrease.

2. One of Ramona's competitors becomes ill and decides to close his business.

3. Ramona has been receiving calls asking if she sends nurses into homes for private cases.

4. Ramona has been feeling overworked and has been thinking about hiring a part-time assistant.

5. Ramona would like to redecorate her office. She never did much to it when she opened.

SUMMARY

Nursing services provide qualified nursing staff to hospitals, nursing homes, and private homes, usually on a temporary basis. Services vary in size. They can fill a variety of needs. Previous nursing and business experience and a true liking of people are helpful qualities for a nursing service owner to have. There is a growing need for nursing people throughout the country. But the future nursing service owner will face certain problems in the market. The successful owner will try to offer unique service in a personalized way.

Once you have decided to open a nursing service, you must do several things. You must look at the need for services and the existing competition and choose a suitable location for your business. Your office should have a central and convenient location so staff can visit easily.

In addition, you will need to apply for a loan. To do this, you will need to provide a description of your business and a statement of financial need. The amount of money needed to start a nursing service depends on the size and kind of business you plan to start. You are, however, likely to need to borrow some money.

Once you get started, you need to run the business. This involves hiring and managing people, organizing the work, setting prices, advertising, and keeping financial records.

Hiring nurses to work for your service involves several activities. You must review their applications, interview them, and check their personal references. Keeping the people you hire and the facilities you serve happy requires attention to certain details.

You should establish good personal relations, offer special benefits and services, and state your policies.

Organizing the work of a nursing service involves keeping track of and scheduling the work. You must keep records on the availability of each nurse and work orders so that requests can be filled promptly. You must decide which tasks are more important and set up a schedule to get them done.

In setting prices, you must consider five main things. These are supply and demand, competition, cost of workers. operating expenses, and profit. You must set prices for your customers and wages for your nurses. There are many ways to sell your services. These include letters and visits, the Yellow Pages, newspapers, and referrals.

Keeping good financial records is a necessary part of running a nursing service. It involves properly billing customers for services provided, regularly keeping track of the business' income and expenses, and figuring out yearly profits.

In order to own and operate a successful nursing service, you need training in nursing, work experience, and the special business management skills we have covered in this module. If you have not had a course in nursing, you should probably take one before deciding to own a nursing service. You can learn business management skills through business classes, experience, or by using the advice and example of an expert.

You may not make a lot of money by owning a nursing service. However, you would have the personal satisfaction of being responsible for your business and making your own decisions. Think about how important these things are to you in considering whether you should start your own nursing service.

QUIZ

1. A nursing service can provide temporary nursing staff to
   a. _____,
   b. _____, and
   c. _____.

2. List three personal qualities the owner of a nursing service should have.
   a. _____
   b. _____
   c. _____

3. List three things the owner of a nursing service can do to become successful.
   a. _____
   b. _____
   c. _____

4. If you open a nursing service in Arkansas, you should
   ____ a. obtain a license from the State Department of Health.
   ____ b. contact the Department of Consumer Affairs to find out the legal requirements.
   ____ c. become bonded by a local bonding agency.
   ____ d. register with your local Chamber of Commerce.

5. List two things to think about when choosing a location for a nursing service.
   a. _____
   b. _____

6. John Lund plans to open a nursing service that will serve a 25-mile area from Lindley to Monroe. Most of his customers will be closer to Monroe. Which of the following locations should he choose?

____ a. A first floor office on Main Street in Monroe. Rent is $350/month.

____ b. His own garage. He is midway between Lindley and Monroe and the rent is free.

____ c. A small office near the freeway, about halfway between Lindley and Monroe.

7. List at least three of the important parts of a business description.

a. _____

b. _____

c. _____

d. _____

e. _____

8. Maria Carter's starting expenses for her new nursing service are $34,075. She had $5000 of her own money to invest and $3500 from her parents. How much money will Maria need to borrow?

9. Elmhurst Nursing Service has one part-time RN on its staff. Which of these tasks should the RN be assigned to do?

____ a. Write an ad for the Elmhurst Tribune

____ b. Visit the Director of Nurses at Elmhurst Hospital

____ c. Prepare the nursing staff's paychecks

____ d. Answer telephone requests from customers

10. The following LVNs apply to work for Maria Carter's new Nursing Service. She felt all but one was qualified. Who was NOT?

____ a. Linda Riley, two years of experience, good record, nice personality

____ b. Bud Nelson, six years of experience, working on RN, good references

____ c. Sylvia Tappan, four years of experience, chain smoker, talked too much

____ d. Fran Cortez, one year of experience, excellent record, young

11. List three main ways a nursing service owner can keep her or his nursing staff happy:

a. _____

b. _____

c. _____

12. The most important piece of information on an employee summary form is found under

____ a. comments.

____ b. referred by.

____ c. preference.

____ d. availability.

13. Which of the following tasks would Maria likely consider most important and do first in her daily schedule?

____ a. Billing customers

____ b. Filling job orders

____ c. Writing paychecks

____ d. Interviewing nurses

14. Local hospitals pay hourly wages of $8.25 for RNs, $6.15 for LVNs, and $4.00 for NAs. Maria's two competitors pay the following: $8.75, $6.60, $4.50; and $8.90, $6.85, and $4.65. Maria would like to compete on wages, but she knows she must keep her costs down. What should she probably pay?

____ a. $8.00, $6.00, $3.85
____ b. $8.25, $6.15, $4.00
____ c. $8.75, $6.60, $4.50
____ d. $9.00, $6.75, $4.75

15. To advertise a new nursing service to local hospitals, the very first thing you should do is

____ a. visit all the hospitals in the area.
____ b. place an ad in the Yellow Pages.
____ c. place an ad in the local newspapers.
____ d. get local doctors to refer you.

16. A good newspaper ad should include all of the following:

____ a. name and address of business, headline, and illustration.
____ b. name and address of business, illustration, and copy.
____ c. name and address of business, headline, and copy.
____ d. headline, copy, and illustration.

17. List four types of information needed on a customer billing form.

a. _____
b. _____
c. _____
d. _____

18. Which of the following information does a daily cash sheet include?

____ a. Cash sales and payments
____ b. Cash sales, payments, and profits
____ c. Cash sales, payments, and debts
____ d. Cash sales, payments, profits, and debts

19. Maria's first-year records show total sales of $150,000 and total expenses of $120,000. Compute the following.

    a. Net profit = $_____

    b. Profit ratio = $_____

    c. Expense ratio = $_____

20. Maria's profits decrease in her second year. List three things she can do to increase profits.

    a. _____

    b. _____

    c. _____

21. List two things Maria can do to increase sales.

    a. _____

    b. _____

* U.S. GOVERNMENT PRINTING OFFICE: 1981 - 791-761/283 9-II

PROJECT PRODUCTS

Entrepreneurship Training Components

Vocational Discipline	Module Number and Title
General	Module 1 - Getting Down to Business: What's It All About?
Agriculture	Module 2 - Farm Equipment Repair
	Module 3 - Tree Service
	Module 4 - Garden Center
	Module 5 - Fertilizer and Pesticide Service
	Module 6 - Dairy Farming
Marketing and Distribution	Module 7 - Apparel Store
	Module 8 - Specialty Food Store
	Module 9 - Travel Agency
	Module 10 - Bicycle Store
	Module 11 - Flower and Plant Store
	Module 12 - Business and Personal Service
	Module 13 - Innkeeping
Health	Module 14 - Nursing Service
	Module 15 - Wheelchair Transportation Service
	Module 16 - Health Spa
Business and Office	Module 17 - Answering Service
	Module 18 - Secretarial Service
	Module 19 - Bookkeeping Service
	Module 20 - Software Design Company
	Module 21 - Word Processing Service
Occupational Home Economics	Module 22 - Restaurant Business
	Module 23 - Day Care Center
	Module 24 - Housecleaning Service
	Module 25 - Sewing Service
	Module 26 - Home Attendant Service
Technical	Module 27 - Guard Service
	Module 28 - Pest Control Service
	Module 29 - Energy Specialist Service
Trades and Industry	Module 30 - Hair Styling Shop
	Module 31 - Auto Repair Shop
	Module 32 - Welding Business
	Module 33 - Construction Electrician Business
	Module 34 - Carpentry Business
	Module 35 - Plumbing Business
	Module 36 - Air Conditioning and Heating Service

Related Resources

Resource Guide of Existing Entrepreneurship Materials

Handbook on Utilization of the Entrepreneurship Training Components